

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

SB-1165

AN ACT CONCERNING FINANCIAL LITERACY INSTRUCTION.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 24 \$	FY 25 \$
Local and Regional School Districts	STATE MANDATE ¹ - Potential Cost	See Below	See Below

Explanation

The bill results in a potential cost to local and regional school districts beginning in FY 24 by establishing a half-credit financial literacy requirement for high school graduation.

Costs to districts will depend on whether they must hire additional staff to teach the course, and if any, how many staff they must hire. Average salary plus fringe costs for a full-time teacher is approximately \$100,000. If a district can offer this credit by training a current employee instead of hiring a new employee, and can fit the new responsibility within the current employee's schedule, costs could be substantially less. If a large district has no qualified staff available to teach the course to every student in a class, the cost to the district will be substantial.

It is anticipated that the State Department of Education would

¹ State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

develop materials to help districts develop a financial literacy course. It is expected that SDE can do so within existing resources.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.